



11 August 2022

The Manager – Listings
Australian Securities Exchange Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

CEO Remuneration Update, for:

- **Long Term Incentive Allocations for FY21;**
- **FY22 Short and Long Term Incentive Awards; and**
- **FY23 Fixed Annual Remuneration.**

COG Financial Services Limited (ASX: COG) advises the following update in respect of the CEO Remuneration for Mr Andrew Bennett.

Long Term Incentive Allocations for FY21

The Company has completed the allotment of securities to Mr Andrew Bennett under the Company's Long Term Incentive Plan as originally announced to the ASX on 23 December 2020, including assessment of the initial tranche.

The Company's Long Term Incentive Plan was approved by shareholders on 30 June 2021 ("Plan").

Mr Bennett's allocation and associated vesting conditions under the Plan are as follows:

- (a) Tranche 1: 102,814 performance rights, convertible into 102,814 ordinary shares upon vesting, with 40% vesting on being employed at 30 June 2021 and 60% vesting on being employed and achievement of attaining normalised earnings per share (EPS) Compound Annual Growth Rate (CAGR) on 30 June 2021;
- (b) Tranche 2: 102,814 performance rights, convertible into 102,814 ordinary shares upon vesting, with 40% vesting on being employed at 30 June 2022 and 60% vesting on being employed and achievement of normalised EPS CAGR on 30 June 2022; and
- (c) Tranche 3: 102,814 performance rights, convertible into 102,814 ordinary shares upon vesting, with 40% vesting on being employed at 30 June 2023 and 60% vesting on being employed and achievement of normalised EPS CAGR on 30 June 2023.

In respect of the vesting conditions:

1. these will be assessed no later than 15 September of the subject year end;
2. where vesting conditions of Tranche 1 or Tranche 2 are not met, the performance rights roll forward to the next Tranche (Tranche 1 to Tranche 2 and Tranche 2 to Tranche 3); and
3. CAGR requirements are:

	Compound Annual Growth Rate (CAGR)	Range	Vesting %
Threshold	0.00%	<Threshold	0.00%
Target 1	2.50%	>Threshold & <Target 1	25.00%
		>Target 1 & <Target 2	Straight Line Pro rata from 25.00% to 100.00%
Target 2	7.50%	=>Target 2	100.00%

Noting that the assessment of the Tranche 1 performance rights are able to be calculated, Mr Bennett met these vesting requirements, having been employed at the vesting date and the Company achieving a normalised EPS CAGR to 30 June 2021 of 177%.

In actioning the noted allotments, the Company has concurrently released to the ASX:

- (A) Appendix 2A for the allotment of 102,814 shares in lieu of the Tranche 1 performance rights; and
- (B) Appendix 3G for the allotment of 102,814 30 June 2022 Performance Rights and 102,814 30 June 2023 Performance Rights.

Commenting on the securities issue to Mr Bennett under the Plan, COG Chair, Mr Patrick Tuttle said;

“In the 12 months to 30 June 2021, the Company achieved a normalised EPS CAGR of 177%, and is on track to achieving another strong normalised EPS CAGR for the 2 years to 30 June 2022. The achievement of these results has been under the leadership and guidance of Andrew as CEO. It is pleasing to see the alignment of shareholder returns to rewarding Andrew as CEO”.

FY22 Short and Long Term Incentive Awards

As announced to the ASX on 23 December 2020, Mr Bennett is entitled up to a maximum:

- Short Term Incentive (“STI”) of 40% of his fixed annual remuneration, being \$190,000, for FY22; and
- Long Term Incentive (“LTI”) of 50% of his fixed annual remuneration, being \$237,500, for FY22.

The Board has assessed Mr Bennett’s performance in respect of the FY22 STI and LTI, awarding 100% of the maximum entitlement.

In respect of the LTI award for FY22, the allotment of the incentive securities will be calculated and allotted in the coming weeks.

FY23 Fixed Annual Remuneration

As announced to the ASX on 23 December 2020, Mr Bennett is presently on a fixed annual remuneration of \$475,000, inclusive of superannuation contributions.

The Board, taking into consideration his performance and other external factors such as CPI movements over the past year, has increased Mr Bennett’s fixed annual remuneration for FY23, effective 1 July 2022, to \$500,000, inclusive of superannuation contributions.

Commenting on the assessment of Mr Bennett’s FY22 STI and LTI and increase in FY23 fixed annual remuneration, COG Chair, Mr Patrick Tuttle said;

“Andrew’s performance as CEO for FY22 has been exceptional, delivering on the performance criteria set by the Board for the year. We are pleased to see the achievements delivered through Andrew’s leadership this year and look forward to him continuing to drive the Company over the upcoming financial year and beyond.”



Announcement authorised by: Patrick Tuttle, Chair

For further information please contact:

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Who we are:

COG Financial Services Limited (COG) has two complementary businesses:

1. Finance Broking & Aggregation (FB&A). Through its membership group of independent and equity owned brokers (brokers in which COG has invested), COG is Australia's largest asset finance group, representing over \$6 billion per annum of Net Asset Finance (NAF). Further growth is being achieved through organic growth in equipment finance and insurance broking and through equity investment in brokers.
2. Lending & funds management. Through broker distribution, COG provides equipment finance to SMEs, and real property loans via its subsidiary Westlawn Finance Limited.

In both businesses our market share is small relative to the size of the markets we operate in, and there are significant growth opportunities through consolidation and organic growth.